

Decision 89 02 077 FEB 24 1989**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Harrison-Nichols
Company Ltd. for authority to
deviate from the minimum rates,
rules and regulations of the
Minimum Rate Tariff No. 7-A,
pursuant to the provisions of
Section 3666 of the Public
Utilities Code, for Ball Incon
Glass Packaging Corporation.

Mailed

FEB 27 1989

Application 88-12-022
(Filed December 9, 1988)

OPINION

By this application, Harrison-Nichols Company Ltd., (applicant), a corporation, requests authority to deviate from the provision of Minimum Rate Tariff (MRT) 7-A in connection with the transportation of silica sand and limestone from Corona and Lucerne Valley to El Monte. The transportation is to be performed for the account of the Ball Incon Glass Packaging Corporation.

Applicant was originally granted authority to deviate from the provisions of MRT 7-A for the transportation of silica sand and limestone from San Juan Capistrano, Lucerne Valley, and Colton to El Monte. The movement of limestone from Colton to El Monte was discontinued with the granting of the deviation renewal (Special Deviation Docket No. 083) dated June 9, 1987. Applicant was notified on November 1, 1988 that the silica sand supplier (California Silica Products Co.) in San Juan Capistrano would no longer be producing silica sand. Ball Incon advised applicant that the new supplier (California Industrial Sand Co.) is located in Corona. This change in origin results in a decrease of 30 round-trip miles. This reduction in round-trip miles has also resulted in a reduction in the rate from \$5.10 to \$4.05 per ton.

The application is based upon special conditions and circumstances, such as bulk loading and unloading without carrier's assistance; volume movement with facilities operating 24 hours per day, seven days per week; and cost reductions developed by the efficiencies of maximum equipment utilization.

Revenue and expense data submitted by applicant indicate the transportation involved may reasonably be expected to be profitable under the proposed rates.¹

The proposed rate deviations do not constitute a major action affecting energy efficiency under Public Utilities Code §§ 3502.1 and 3502.2.

The application was listed on the Commission's Daily Calendar of December 16, 1988. No objection to the granting of the application has been received.

Findings of Fact

1. Applicant is a dump truck carrier under a permit issued by this Commission.

2. Authority is sought to deviate from the rates published in MRT 7-A.

3. The reduction in rates is based upon special conditions which enable the carrier to achieve efficiencies by maximum use of equipment.

4. The proposed rates are compensatory, reasonable, and justified.

5. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

1 The present and proposed rates are:

<u>Minimum Rate Tariff 7-A</u> <u>Minimum Weight 24 Tons</u>	<u>Proposed Rate</u> <u>Minimum Weight 27-1/2 Tons</u>
Silica Sand \$5.40/Ton Plus 9 1/4¢	\$4.05/Ton
Limestone \$7.96/Ton Plus 9 1/4¢	\$7.75

6. A public hearing is not necessary.

Conclusion of Law

The proposed rates have been justified and the application should be granted as set forth in the ensuing order.

ORDER

IT IS ORDERED that:

1. Harrison-Nichols Company Ltd., a corporation, is authorized to perform the transportation shown in Appendix A, attached, and at not less than the rates it sets forth.

2. The authority granted herein shall expire one year after the effective date of this order unless sooner canceled, modified or extended by further order of the Commission.

This order becomes effective 30 days from today.

Dated FEB 24 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.

Victor Weiser
Victor Weiser, Executive Director
PB

APPENDIX A

Carrier: Harrison-Nichols Company Ltd.

Shipper: Ball Incon Glass Packaging Corporation

Commodities/Origin/Destination/Rates:

A. Silica Sand

From: Corona

To: El Monte

Rate: \$4.05 per ton

B. Limestone

From: Lucerne Valley

To: El Monte

Rate: \$7.75 per ton

Minimum Weight: 27-1/2 Tons per unit of equipment.

Conditions:

1. When subhaulers are employed, they shall be paid not less than 95% of the rates authorized herein.
2. In all other respects, the rates and rules set forth in Minimum Rate Tariff 7-A shall apply.

(END OF APPENDIX A)